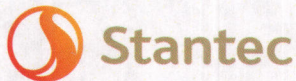


M14710032



Stantec Consulting Services Inc.

8160 South Highland Drive Suite A4, Sandy UT 84093-7402

December 22, 2014

Denise Dragoo
Snell & Wilmer L.L.P.
15 West South Temple, Suite 1200
Salt Lake City, Utah 84101

Re: Tar Sands Holdings II Cleanup for Asphalt Ridge Mine Completed

Dear Denise:

Per our email correspondence I wanted to bring you up to date on the cleanup of the Asphalt Ridge Mine "bone yard." We also believe it would be beneficial to share this with the folks at DOGM to ensure that they are aware that the cleanup is complete and that a more comprehensive report is forthcoming.

The containers at the site were characterized by Enviro Care some time ago. A large number of the containers hold product (bitumen) from site-processed tar sands. Those containers have been moved to asphalt pads at the site that were originally designed to hold either tailings or feedstock for a pilot test in 2012 (Figures 1 and 2). Woody Campbell of DWQ inspected the and believed that setting the bitumen containers on a bermed tarp on the asphalt pads would be protective of groundwater, especially considering that the bitumen is a solid (or highly viscous) within the temperature range in the Vernal area. This approach will keep the product available for the next owner of the property and out of the landfill.

The contents of the remaining containers were either recycled by Emerald Services or disposed by Enviro Care. We are expecting documentation from Emerald Services that the contents of many containers was recycled and the containers themselves disposed. Manifests are also forthcoming showing that the containers disposed by Enviro Care were appropriately characterized and landfilled.

Following removal of all containers from the "boneyard" site, Enviro Care removed all stained soils. Enviro Care confirmed this using a PID. Confirmation soil samples were submitted to AWAL and the results are expected in early January (Figures 3 and 4).

Please let us know if you have any questions or concerns.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jon Schulman'.

Jon Schulman
Project Manager

Stantec Consulting Services Inc.

Design with community in mind



December 22, 2014
Page 2 of 5



Figure 1 Bitumen containers on white tarp with berms



December 22, 2014
Page 3 of 5



Figure 2 Bitumen in containers on white tarp with berms



December 22, 2014
Page 4 of 5



Figure 3 Bone yard with containers and stained soils removed



December 22, 2014
Page 5 of 5



Figure 4 Bone yard with containers and stained soils removed